

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 346

To amend the Internal Revenue Code of 1986 to adjust for inflation the dollar limitations on the dependent care credit.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 4 (legislative day, JANUARY 5), 1993

Mr. AKAKA introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to adjust for inflation the dollar limitations on the dependent care credit.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Working Families Tax  
5       Relief Act”.

6       **SEC. 2. INFLATION ADJUSTMENT OF DEPENDENT CARE**  
7       **CREDIT.**

8       (a) IN GENERAL.—Subsection (e) of section 21 of the  
9       Internal Revenue Code of 1986 (relating to expenses for  
10      household and dependent care services necessary for gain-

1 ful employment) is amended by adding at the end thereof  
2 the following new paragraph:

3 “(10) INFLATION ADJUSTMENT.—In the case of  
4 any taxable year beginning in a calendar year after  
5 1993, each dollar amount contained in subsections  
6 (c) and (d)(2) shall be increased by an amount equal  
7 to—

8 “(A) such dollar amount, multiplied by

9 “(B) the cost-of-living adjustment deter-  
10 mined under section 1(f)(3) for the calendar  
11 year in which the taxable year begins, by sub-  
12 stituting ‘calendar year 1992’ for ‘calendar year  
13 1989’ in subparagraph (B) thereof.”

14 (b) EFFECTIVE DATE.—The amendment made by  
15 subsection (a) shall apply to taxable years beginning after  
16 December 31, 1993.

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